

TENNESSEE REVENUE ESTIMATES
FISCAL YEARS 2007-08 AND 2008-09
PRESENTED TO THE
TENNESSEE STATE FUNDING BOARD
APRIL 29, 2008

James W. White
Executive Director

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Fiscal Review Committee

**SCHEDULE SHOWING 2007-08 AND 2008-09 REVENUE ESTIMATES FOR ALL FUNDS
BY FISCAL REVIEW STAFF - ACCRUAL COLLECTIONS**

REVENUE SOURCE	FRC STAFF ESTIMATES FY07-08	% INC. (DEC.) OVER FY06-07	FRC STAFF ESTIMATES FY08-09	% INC. (DEC.) OVER FY07-08
SALES & USE TAX	\$6,937,000,000	1.8	\$7,090,740,000	2.2
GASOLINE TAX	620,000,000	1.3	620,000,000	--
MOTOR FUEL TAX	182,721,000	(1.7)	184,548,000	1.0
GASOLINE INSPECTION TAX	66,000,000	1.1	66,660,000	1.0
MOTOR VEHICLE REG. TAX	258,000,000	0.2	260,580,000	1.0
INCOME TAX	269,000,000	8.7	242,100,000	(10.0)
PRIVILEGE TAX ¹⁾	286,382,000	(8.7)	294,973,000	3.0
GROSS RECEIPTS TAX - TVA	270,333,000	8.0	286,553,000	6.0
GROSS RECIPITS TAX-OTHER	26,600,000	(2.8)	27,265,000	2.5
BEER TAX	19,000,000	5.7	19,855,000	4.5
ALCOHOLIC BEVERAGE TAX	42,638,000	4.0	44,344,000	4.0
FRANCHISE & EXCISE TAX	1,650,000,000	(6.6)	1,650,000,000	--
INHERITANCE TAX	98,000,000	(12.8)	98,980,000	1.0
TOBACCO TAX	281,198,000	103.8	309,318,000	10.0
MOTOR VEHICLE TITLE FEES	10,900,000	(1.8)	11,118,000	2.0
MIXED DRINK TAX	55,700,000	3.8	58,207,000	4.5
BUSINESS TAX	137,000,000	2.4	142,138,000	3.75
SEVERANCE TAX	2,100,000	35.5	2,400,000	14.3
AMUSEMENT TAX	300,000	(11.9)	300,000	--
UNAUTHORIZED SUBSTANCE TAX	2,000,000	24.8	2,000,000	--
TOTALS - FRC STAFF EST.	\$11,214,872,000	1.47	\$11,412,079,000	1.76
F&A REVISED EST. FEB 2008	\$11,477,700,000	3.85	\$11,837,500,000	3.13
EST. SHORTAGE COMPARED WITH F&A EST. OF FEB 2008				
ALL FUNDS	\$262,828,000		\$425,421,000	
GENERAL FUND	\$271,318,000		\$413,477,000	

1) Privilege tax collections are reduced by \$34.6 million each year for the earmarked portion of the tax.

**SCHEDULE SHOWING FISCAL REVIEW STAFF REVENUE ESTIMATES
FOR ALL FUNDS AND THE GENERAL FUND
FOR FISCAL YEAR 2007-08**

REVENUE SOURCE	ALL FUNDS	GENERAL FUND
SALES & USE TAX	\$6,937,000,000	\$6,562,402,000
GASOLINE TAX	620,000,000	9,486,000
MOTOR FUEL TAX	182,721,000	3,435,000
GASOLINE INSPECTION TAX	66,000,000	19,140,000
MOTOR VEHICLE REGISTRATION TAX	258,000,000	50,078,000
INCOME TAX	269,000,000	178,643,000
PRIVILEGE TAX	286,382,000	286,382,000
GROSS RECEIPTS TAX - TVA	270,333,000	155,306,000
GROSS RECEIPTS TAX - OTHER	26,600,000	22,376,000
BEER TAX	19,000,000	12,736,000
ALCOHOLIC BEVERAGE TAX	42,638,000	35,232,000
FRANCHISE & EXCISE TAX	1,650,000,000	1,438,600,000
INHERITANCE TAX	98,000,000	98,000,000
TOBACCO TAX	281,198,000	281,198,000
MOTOR VEHICLE TITLE FEES	10,900,000	8,200,000
MIXED DRINK TAX	55,700,000	27,850,000
BUSINESS TAX	137,000,000	137,000,000
SEVERANCE TAX	2,100,000	618,000
AMUSEMENT TAX	300,000	300,000
UNAUTHORIZED SUBSTANCE TAX	2,000,000	600,000
TOTAL	\$11,214,872,000	\$9,327,582,000
GENERAL FUND INCREASE OVER ACTUAL FY06-07		\$66,333,200

**SCHEDULE SHOWING FISCAL REVIEW STAFF
COMPARISON OF 2007-08 GENERAL FUND ESTIMATES**

TAX	F&A FEB '08 ESTIMATES	FRC STAFF ESTIMATES	FRC OVERAGE (SHORTAGE)
SALES	\$6,650,300,000	\$6,562,402,000	(\$87,898,000)
GASOLINE	9,300,000	9,486,000	186,000
MOTOR FUEL	3,500,000	3,435,000	(65,000)
GAS INSPECTION	19,000,000	19,140,000	140,000
MOTOR VEHICLE REG	50,300,000	50,078,000	(222,000)
INCOME	171,000,000	178,643,000	7,643,000
PRIVILEGE	317,300,000	286,382,000	(30,918,000)
GROSS RECEIPTS - TVA	155,300,000	155,306,000	6,000
GROSS RECEIPTS - OTHER	19,600,000	22,376,000	2,776,000
BEER	12,400,000	12,736,000	336,000
ALCOHOLIC BEVERAGE	35,200,000	35,232,000	32,000
FRANCHISE & EXCISE	1,554,700,000	1,438,600,000	(116,100,000)
INHERITANCE	93,700,000	98,000,000	4,300,000
TOBACCO	329,300,000	281,198,000	(48,102,000)
MOTOR VEHICLE TITLE FEES	8,800,000	8,200,000	(600,000)
MIXED DRINK	28,700,000	27,850,000	(850,000)
BUSINESS	139,100,000	137,000,000	(2,100,000)
SEVERANCE	500,000	618,000	118,000
AMUSEMENT	300,000	300,000	—
UNAUTHORIZED SUBSTANCE	600,000	600,000	—
TOTAL	\$9,598,900,000	\$9,327,582,000	(\$271,318,000)
FRC STAFF GEN FUND EST. COMPARED WITH FEB '08 EST:			
SALES	\$6,650,300,000	\$6,562,402,000	(\$87,898,000)
FRANCHISE & EXCISE	1,554,700,000	1,438,600,000	(116,100,000)
ALL OTHER TAXES	1,393,900,000	1,326,580,000	(67,320,000)
TOTAL	\$9,598,900,000	\$9,327,582,000	(\$271,318,000)

**SCHEDULE SHOWING FISCAL REVIEW STAFF
REVENUE ESTIMATES FOR ALL FUNDS AND THE GENERAL FUND
FISCAL YEAR 2008-09**

REVENUE SOURCE	ALL FUNDS FY08-09	GENERAL FUND FY08-09
SALES & USE TAX	\$7,090,740,000	\$6,712,094,000
GASOLINE TAX	620,000,000	9,486,000
MOTOR FUEL TAX	184,548,000	3,433,000
GASOLINE INSPECTION TAX	66,660,000	19,331,000
MOTOR VEHICLE REGISTRATION TAX	260,580,000	48,155,000
INCOME TAX	242,100,000	160,779,000
PRIVILEGE TAX	294,973,000	294,973,000
GROSS RECEIPTS TAX - TVA	286,553,000	163,478,000
GROSS RECEIPTS TAX - OTHER	27,265,000	23,025,000
BEER TAX	19,855,000	13,307,000
ALCOHOLIC BEVERAGE TAX	44,344,000	36,637,000
FRANCHISE & EXCISE TAX	1,650,000,000	1,450,500,000
INHERITANCE TAX	98,980,000	98,980,000
TOBACCO TAX	309,318,000	309,318,000
MOTOR VEHICLE TITLE FEES	11,118,000	8,418,000
MIXED DRINK TAX	58,207,000	29,104,000
BUSINESS TAX	142,138,000	142,138,000
SEVERANCE TAX	2,400,000	667,000
AMUSEMENT TAX	300,000	300,000
UNAUTHORIZED SUBSTANCE TAX	2,000,000	600,000
TOTAL	\$11,412,079,000	\$9,524,723,000
GENERAL FUND INCREASE OVER FRC ESTIMATE FOR FY07-08		\$197,141,000

COMPARISON OF 2008-09 GENERAL FUND ESTIMATES

TAX	F&A FEB'07 ESTIMATES	FRC STAFF ESTIMATES	FRC OVERAGE (SHORTAGE)
SALES	\$6,916,700,000	\$6,712,094,000	(\$204,606,000)
GASOLINE	9,300,000	9,486,000	186,000
MOTOR FUEL	3,500,000	3,433,000	(67,000)
GAS INSPECTION	19,200,000	19,331,000	131,000
MOTOR VEHICLE REG	48,600,000	48,155,000	(445,000)
INCOME	174,400,000	160,779,000	(13,621,000)
PRIVILEGE	305,300,000	294,973,000	(10,327,000)
GROSS RECEIPTS - TVA	161,900,000	163,478,000	1,578,000
GROSS RECEIPTS - OTHER	20,100,000	23,025,000	2,925,000
BEER	12,800,000	13,307,000	507,000
ALCOHOLIC BEVERAGE	36,600,000	36,637,000	37,000
FRANCHISE & EXCISE	1,601,800,000	1,450,500,000	(151,300,000)
INHERITANCE	93,700,000	98,980,000	5,280,000
TOBACCO	345,800,000	309,318,000	(36,482,000)
MOTOR VEHICLE TITLE FEES	8,900,000	8,418,000	(482,000)
MIXED DRINK	30,700,000	29,104,000	(1,596,000)
BUSINESS	147,500,000	142,138,000	(5,362,000)
SEVERANCE	500,000	667,000	167,000
AMUSEMENT	300,000	300,000	—
UNAUTHORIZED SUBSTANCE	600,000	600,000	—
TOTAL	\$9,938,200,000	\$9,524,723,000	(\$413,477,000)